THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR) : (a) The Government has approved building of Strategic Crude Oil Reserves of 5 Million Metric Tonnes (MMT) at Mangalore (1.5 MMT),Vizag (1.0 MMT) and Mangalore or nearby location (2.5 MMT).

(b) In order to implement the project, as Special Purpose Vahicle (SPV) by the name of Indian Strategic Petroleum Reserves Limited (ISPRL) has been incorporated on 16 June 2004 as a wholly owned subsidiary of Indian Oil Corporation Ltd. (IOC) with an initial investment of Rs.one crore. M/s Engineers India Limited have been engaged as Project Management Consultant for preparation of bid documents, tendering, detailed engineering etc.

(c) An amount of Rs. 48 lakhs has been spent by ISPRL on the project till March,2005.

(d) It is estimated that the capital investment for building strategic storage reserves at Mangalore (1.5 MMTPA) and Vishakhapatnam (1 MMTPA) will be approximately Rs. 1360 crores at June, 2004 prices. Additionally, the cost of filling up the strategic crude oil storage would be based on the then prevailing international prices of crude. The construction time is expected to be around 48 months from the date of award of work.

Guidelines on acquisition of private banks by foreign banks

†*556. SHRI DHARAM PAL SABHARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India proposes to issue guidelines with regard to acquision and running of private banks by the foreign banks in India;

(b) if so, the details thereof; and

(c) the progress of the action taken till now/to be taken in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) Reserve Bank of India (RBI) has issued guidelines on wonership and governance in private sector banks. It has released a Road map for presence of foreign banks in India. The guidelines and road map were released on 28.02.2005 and are available on the web site of RBI *viz.* www.rbi.arg. in/ notification.

(c) Any proposal emanating from the banks will be considered by Reserve Banks of India in accordance with the above guidelines.

†Original notice of the question was received in Hindi.